

## **SECTION 10**

### **Medi-Cal Administrative Activities (MAA) Contracts**

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## **MEDI-CAL ADMINISTRATIVE ACTIVITIES CONTRACTS**

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### **MAA Contract**

In order for a Local Educational Consortia (LEC) to claim reimbursement for Medi-Cal Administrative Activities (MAA), Welfare and Institutions Code 14132.47(b) requires that a contract be in place between the Department of Health Services (DHS), the single state agency responsible for administering the Medicaid program, and the LEC. This document is called the MAA Contract.

### **Lateral Agreements/ Memorandum of Understanding**

The MAA contract is designed so the LEC may act on behalf of LEAs claiming reimbursement for MAA. However, if these other LEAs intend to seek reimbursement through MAA, then a similar agreement or contract needs to be developed with the LEC that holds the DHS contract. Its language mirrors the DHS contract so that other participating agencies may be held to the same terms and conditions set forth in the contract between DHS and the LEC.

### **Contract Agencies**

LEC's and LEAs may deliver their services through contract providers. These contract agencies or community-based organizations may also participate in MAA. The contract language needs to reflect the intent of the contract agency to perform some or all of the allowable MAA. Its language mirrors the DHS contract so that other participating agencies may be held to the same terms and conditions set forth in the contract between DHS and the LEC.

### **Host Entity/DHS Contract**

The Host Entity designated to be the administrative and fiscal intermediary for all LECs contracts with DHS to perform administrative activities. DHS determines each year the staffing requirements upon which the DHS projected costs are based. The projected costs include the anticipated salaries, benefits, overhead, operating expenses and equipment necessary to administer the MAA program.

The contract requires the host entity to submit invoices to and collect from each LEC, their portion of the payment for the DHS projected administrative costs, for which each participating LEC is liable. Funds are disbursed to the DHS on a quarterly basis to reimburse the costs incurred by the DHS for the performance of administrative activities. The payments are remitted to the department within sixty (60) days of receipt of the DHS invoice to the host entity.

**Host Entity/LEC Contract**

The Host Entity contracts with participating LECs and invoices the LEC for the annual participating fee. The contract specifies the responsibility of the Host Entity and the LEC and includes the scope of work for the Host Entity contractors.

## **SECTION 11**

### **Medi-Cal Administrative Activities (MAA) Guides and Examples**

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## **MAA GUIDES AND EXAMPLES**

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### **MEDI-CAL ADMINISTRATIVE ACTIVITIES (MAA) HIGHLIGHTS**

Medi-Cal Administrative Activities (MAA) are activities necessary for the proper and efficient administration of the Medi-Cal program. The federal Health Care Financing Administration (HCFA) will match the local cost of performing allowable activities. These activities include the following:

- Outreach: Bringing potential eligibles into the Medi-Cal system and assisting all eligible individuals to obtain Medi-Cal services.
- Facilitating Medi-Cal Application.
- Non Emergency, Non Medical Transportation of Medi-Cal recipients to Medi-Cal services.
- Contracting for Medi-Cal Services.
- Program Planning and Policy Development Related to Medi-Cal Services.
- MAA Implementation Training.
- MAA Coordination and Claims Administration.

#### **What Do You Need to Know to Decide Whether to Participate in MAA**

1. Which, if any, of your program personnel perform MAA claimable activities?
2. What percentage of your service population is certified eligible for Medi-Cal?
3. How much of your MAA costs are already paid for by other sources of funding?
4. Can you certify the actual expenditure of 100% of allowable local matching funds?

#### **Steps in the MAA Claiming Process**

- Obtain a copy of the MAA Manual from the Local Educational Consortium (LEC) MAA Coordinator.
- Determine from the manual whether you are currently performing MAA.
- Identify units and personnel in your organization that perform MAA.
- Identify funding which meets the federal requirements for local matching funds.
- Notify the MAA Coordinator that you intend to claim for MAA. The LEC must notify the state Department of Health Services (SDHS) 30 days prior to the quarter in which you conduct your first MAA time survey and begin claiming. The LEC contracts with SDHS for the performance of MAA. Your organization must enter into an agreement with the LEC to perform MAA.
- Arrange to receive MAA Training and instructions from the MAA Coordinator.
- Conduct a month-long time survey to determine the percentage of staff time spent performing allowable MAA.
- For activities requiring discounting by the Medi-Cal percentage, determine the methodology you will use to conduct an actual count of persons served or ask the LEC for the county-wide average percentage of Medi-Cal recipients.
- Prepare a MAA Claiming Plan describing in detail the MAA for which you intend to claim. The MAA Claiming Plan must be submitted to SDHS by the LEC in the quarter in which you intend to begin claiming. SDHS and HCFA must approve the plan before claims can be submitted. The LEC will inform you when your plan has been approved.
- Obtain a copy of the MAA Invoice disk and prepare the MAA Invoice. MAA invoices are based on the actual costs of performing MAA and are submitted by the LEC to SDHS on a quarterly basis.
- Maintain required program and fiscal audit file documentation.

## **MAA GUIDES AND EXAMPLES**

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### **S KILLED PROFESSIONAL MEDIC AL PERSONNEL**

In 1986, HCFA implemented regulations at section 432.50 of 42 CFR with defined professional education and training as:

...the completion of a 2-year or longer program leading to an academic degree or certification in a medically related profession. This is demonstrated by possession of a medical licensee, certificate, or other document issued by a recognized National and State medical licensure or certifying organization or a degree in a medical field issued by a college or university certified by a professional medical organization. Experience in the administration, direction, or implementation of the Medicaid program is not considered the equivalent of professional training in the field of medical Care.

The Code of Federal Regulations goes on to say that to receive 75 (%) percent FFP for the allowable costs of these staff:

...The skilled professional medical personnel are in positions that have duties and responsibilities that require those professional medical knowledge and skills.

In regard to 75 (%) percent FFP for clerical staff who provide direct support to Skilled Professional Medical Personnel.

...The directly supporting staffs are secretarial, stenographic, and copying personnel and file and records clerks who provide clerical services that are directly necessary for the completion of the skilled professional medical responsibilities and functions of the skilled professional medical staff. The skilled professional medical staff must directly supervise the supporting staff and the performance of the supporting staff's work.

**GUIDELINES FOR SECURING ENHANCED FEDERAL FINANCIAL PARTICIPATION**

**Stipulations for Enhanced Funding:**

Seventy-five percent (Enhanced) federal matching rate can be claimed for salaries, benefits, travel and training of skilled personnel medical personnel (SPMP) and their directly supporting clerical staff who are in an employee-employer relationship with the Contractor and are involved in activities that are necessary for proper and efficient Medi-Cal administration, Fifty percent (non-enhanced) federal matching can be claimed for SPMP and directly supporting clerical staff performing related activities that are non-enhanced. Expenditures for the actual furnishing of medical services by SPMP do not qualify for federal matching at 75 percent nor 50 percent and should not be claimed as FFP is available only for Medi-Cal administration.

SPMP costs may be matched at the 75 percent rate in proportion to the time worked by SPMP in performing those duties that require professional medical knowledge and skills, as evidenced by position descriptions, job announcements or job classifications and when qualified functions are performed such as:

- Liaison on medical aspects of the program with providers of services and other agencies that provide medical care,
- Furnishing expert medical opinions,
- Reviewing complex physicians' billings,
- Participating in medical review, or
- Assessing, through case management activities, the necessity for and adequacy of medical care and services.

Directly supporting staff costs may be matched at the 75 percent rate in proportion to the time worked by clerical staff in performing those clerical job responsibilities that directly support skilled professional medical personnel (Part 423.2, 42 CFR). The directly supporting staff must provide clerical services that are directly necessary for carrying out the professional medical responsibilities and functions of the SPMP. The SPMP must be immediately responsible for the work performed by the clerical staff and must directly supervise (immediately first-level supervision) the supporting staff and the performance of the supporting staff's work.

**Classifications Eligible for  
Enhanced Funding:**

It is the Contractor's responsibility to substantiate claiming based on SPMP status. The Contractor's job specification must stipulate that the incumbent be from one of the below classifications and the program duty statement must reflect enhanced and non-enhanced activities.

- A. Skilled professional medical personnel (SPMP) per the Title 42, Code of Federal Regulations (CFR), Chapter IV, and the Federal Register.
  - 1. Physician,
  - 2. Registered Nurse,
  - 3. Physician Assistant,
  - 4. Dentist,
  - 5. Dental Hygienist,



## **MAA GUIDES AND EXAMPLES**

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6. Nutritionist- -with a Bachelor of Science (B.S.) degree in Nutrition or Dietetics and eligible to be registered with the Commission of Dietetics Registration (R.D.),
  7. Medical Social Worker- -with a Master's degree in Social Work (M.S.W.) with a specialty in a medical setting,
  8. Health Educator- -with a Master's degree in Public or community Health Education and graduated from a institution accredited by the American Public Association or the Council on Education for Public Health,
  9. Licensed Vocational Nurse- -who have graduated from a two-year program, and
- B. SPMP per the U.S. Department of Health and Human Services Departmental Appeal Board decisions:
1. Licensed Clinical Psychologist- -with a Ph.D. in psychology .
- C. SPMP per State Department of Health Services policy :
1. Licensed Audiologist- -certified by the American Speech and Hearing Association,
  2. Licensed Physical Therapist
  3. Licensed Occupational Therapist- -registered by the National Registry of American' Occupational Therapy Association,
  4. Licensed Speech Pathologist, and
  5. Licensed Marriage, Family and Child Counselors.

D. Directly supporting staff:

Clerical Staff- -who is in direct support of and supervised by skilled professional medical personnel,

The employer's job specification must require clerical skills,

The program duty statement must reflect clerical functions in support of skilled professional medical personnel.

SPMP includes only professionals in the field of medical care. SPMP does not include non-health professionals. Such as public administrators, medical budget directors or analysis, lobbyists, or senior managers of public assistance or Medicaid programs.

Direct support staff means clerical staff who:

- Is a secretarial, stenographic, copy file, or record clerk that provides direct support to the skilled professional medical personnel.
- Provides **clerical services** directly necessary for carrying out the professional medical responsibilities and functions of the skilled professional medical personnel, and
- Has **documentation** such as a job description, that the services provided for the skilled professional medical personnel are directly related and necessary to the election of the SPMP responsibilities.

**Professional Education and Training**

Skilled professional medical personnel are required to have education and training at a professional level in the field of medical care or appropriate medical practice before FFP can be claimed at 75 percent "Education and training at professional

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level” means the completion of two year or longer program leading to an academic degree or certificate in a medically related profession. Completion of a program may be demonstrated by possession of a medical license or certificate issued by a recognized national or staff medical licenser or certifying organization or a degree in a medical field issued by a college or university certified by a professional medical organization. Experience in the administration, direction, or implementation of the Medicaid program will not be considered the equivalent of professional training in a field of medical care.

### **MAA REVENUE OFFSET/MATCH MATRIX**

REVENUE SOURCE	QUALIFYING CONDITIONS	Must Be Offset (Yes/No)	Permissible as Match (Yes/No)
<b>A. MEDI-CAL SERVICE REVENUE</b>			
Patient Care Revenue	The related expenses are included in the MAA invoice.	<b>Yes</b>	No
TCM Revenue	The related expenses are included in the MAA invoice.	<b>Yes</b>	No
<b>B. FUNDS RECEIVED FROM FEDERAL GRANTS</b>			
1. Federal Funds Received From Federal Grant Programs Which May <u>Not</u> be Used To Match Other Federal Funds	The related expenses are included in the MAA invoice.	<b>Yes</b>	<b>No</b>
2. Federal Funds Received From Federal Grant Programs Which May Be Used For Match Under 42 CFR, 433.51	a. The funds are used at the local level for provision of MAA services, b. The related expenses are included in the MAA invoice.	No	<b>Yes</b>
<b>C. STATE GRANTS</b>			
1. State Funds	(1a) The funds are used as required match for Federal funds at the State (1b) The related expenses are included in the MAA invoice.	<b>Yes</b>	No
2. State Funds	(2a) The funds are targeted specifically for the delivery of direct client medical services, and (2b) The related expenses are included in the MAA invoice.	<b>Yes</b>	No
3. State Funds	(3a) The funds are <u>not</u> already being used as a match for Federal funds, (3b) The funds are <u>not</u> specifically targeted for the delivery of direct client medical services, (3c) The funds are used at the local level for the provision of MAA (3d) The related expenses are included in the MAA invoice.	No	<b>Yes</b>
<b>D. PRIVATE MEDICAL INSURANCE PAYMENTS, CLIENT PAYMENTS, &amp; ANY OTHER THIRD PARTY REVENUES FOR DIRECT CLIENT MEDICAL SERVICES</b>			
	The related expenses are included in the MAA invoice.	<b>Yes</b>	No

<b>E. LOCAL MAINTENANCE OF EFFORT (MOE)</b>			
1. Local MOE	(1a) The MOE funds are used as required match for Federal funds, and (1b) The related expenses are included in the MAA invoice.	<b>Yes</b>	No
2. Local MOE	(2a) The MOE funds are <u>not</u> already used as required match for Federal (2b) The funds are used at the local level for the provision of MAA (2c) The related expenses are included in the MAA invoice.	No	<b>Yes</b>
<b>F. DONATIONS AND TAXES (Received by LEC or IEC Subcontractor)</b>			
1. Donations	(1a) The funds are eligible according to Federal regulations at 42 CFR, 433, Subpart B, (1b) The funds are used at the local level for the provision of MAA services and (1c) The related expenses are included in the MAA invoice.	No	<b>Yes</b>
2. Taxes	(2a) The funds are eligible according to Federal regulations at 42 CFR, 433 Subpart B, (2b) The funds are used at the local level for the provision of MAA (2c) The related expenses are included in the MAA invoice.	No	<b>Yes</b>
<b>G. OTHER REVENUE (Such as Fees and Fines)</b>			
1. Other Revenue	The funds are <u>restricted</u> to a specific purpose unrelated to MAA, and The related expenses are included in the MAA invoice.	<b>Yes</b>	No
2. Other Revenue	The funds are <u>unrestricted</u> and may be used at the discretion of the The funds are used at the local level for the provision of MAA The related expenses are included in the MAA invoice.	No	<b>Yes</b>
<b>H. LOCAL GENERAL FUNDS</b>			
	Local funds are as defined by Federal regulation at 42 CFR, 433.51, The funds are used at the local level for the provision of MAA services, and The related expenses are included in the MAA invoice.	No	<b>Yes</b>

**EXAMPLES OF ALLOWABLE AND NOT ALLOWABLE**  
**PROGRAM PLANNING & POLICY DEVELOPMENT (PP&PD) ACTIVITIES**  
**(DISCOUNTED)**

**Allowable PP&PD Activities:**

1. Develop a plan to initiate School Clinic services to provide CHDP exams and immunizations.
2. Develop an interagency referral and tracking system to expedite access to Medi-Cal services.
3. Participate on an Interagency Children's Task Force to develop strategies to improve access to pediatric services.
4. Participate on an Children's Services Advisory Committee, comprised of physicians, managed care representatives, county employees, and community agency representatives. The purpose of the committee is to develop strategies to improve access to and increase pediatric services for Medi-Cal beneficiaries.
5. Participate on the Healthy Start Advisory Committee. The purpose of the Committee is to identify health needs of the homeless, particularly families with children, and to develop strategies to address those needs. The majority of the clients are potentially Medi-Cal eligible.
6. Work in collaboratives with school and public health nurses and community providers on a community needs assessment, development and implementation of services, and evaluation. The planned services include the full range of Medi-Cal services used by children.
7. Develop and review policies and procedures for coordinating medical services for at risk students.
8. Develop and maintain Medi-Cal resource information and directories of services.
9. Develop and oversee the Even Start (infant) project to increase utilization of Medi-Cal services.
10. Consult with medical providers on Medi-Cal policies and procedures to ensure that children/students receive the Medi-Cal services for which they are eligible.
11. Coordinate, plan, and develop policies related to children's services which includes obtaining resources for Medi-Cal covered school-linked health services and the integration of county children's Medi-Cal service providers.

## **PP&PD ACTIVITY EXAMPLES**

12. Served on the Infant Mortality Review Committee which reviews deaths looking for medical issues in children under age one. The purpose is to develop objectives of prevention and medical intervention for high-risk families.
13. Develop and implement a Spanish language Medi-Cal referral telephone line.
14. Collect, analyze, and report Medi-Cal student statistical data in order to evaluate service needs and utilization.
15. Attend the Children's Immunization Initiative planning meetings to plan, implement, and evaluate increased Medi-Cal covered immunization services.
16. Recruiting for and accompanying Medi-Cal beneficiaries to a meeting to address barriers to Medi-Cal enrollment and utilization of Medi-Cal services.
17. Develop and implement a health services need survey regarding access to and the effectiveness/appropriateness of current Medi-Cal services.

### **Not Allowable PP&PD Activities:**

1. Participate in a Red Ribbon Breakfast to discuss the causes of teen pregnancy.
2. Develop interagency policies and procedures to identify abused children.
3. Attend monthly Community Forum meeting, the purpose of which is networking and information sharing.
4. Proposal writing in a collaborative setting with other agencies for services not related to Medi-Cal.
5. Planning meetings with other agencies for services not related to the Medi-Cal program.
6. Contacting referral providers regarding services not related to Medi-Cal.
7. Conducting surveys or focus groups with school site councils regarding non-Medi-Cal services.
8. Attending general training on promoting community collaboration.